

Message Text

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ACTION TRSE-00

INFO OCT-01 EA-07 ISO-00 L-03 NSC-05 CAB-02 CIAE-00

COME-00 DODE-00 DOTE-00 EB-07 INR-07 NSAE-00

EPG-02 FAA-00 /034 W

-----191247Z 080156 /43

R 190645Z MAY 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9949

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PASS TREASURY

E. O. 11652: NA

TAGS: EFIN, RP

SUBJECT: PANAM OPPOSITION TO TAX TREATY

REF: STATE 113633

1. MANILA AND HOME OFFICE OFFICIALS OF PAN AMERICAN WORLD AIRWAYS CALLED ON ECONOMIC/COMMERCIAL COUNSELOR ON MAY 18, PRIOR TO RECEIPT OF REFTEL. HARVEY MEAD, WHO IS ASSISTANT TREASURER FOR TAX ADMINISTRATION, GAVE PRESENTATION ON PANAM'S OPPOSITION TO THE RP/US TAX TREATY. HE SAID THAT PANAM INTENDS TO OPPOSE RATIFICATION OF THE TREATY BY THE SENATE, AND THAT HE HAS DISCUSSED MATTER WITH TREASURY OFFICIALS AT SOME LENGTH.

2. TO RECOUNT BRIEFLY PANAM'S POSITION, WHICH IS APPARENTLY WELL-KNOWN TO TREASURY, MEAD BELIEVES THAT THE PRESENT VERSION OF THE TREATY DOES NOT EXTEND THE TREATY'S GENERAL PROVISION OF NON-DISCRIMINATION TO THE AIRLINES, SINCE IT IS SILENT ON A TAX (THE 2 1/2 PERCENT GROSS RECEIPTS TAX) TO WHICH PHILIPPINE AIR LINES IS NOT SUBJECT IN THE U.S. SINCE THIS AMOUNTS TO IMPLICIT

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RECOGNITION OF A CONDITION OF DISCRIMINATION, MEAD BELIEVES THAT IT IS A MATTER DESERVING OF CONGRESSIONAL SCRUTINY. PANAM CONTINUES TO REGARD RECIPROCAL EXEMPTION AS THE ONLY SATISFACTORY TREATMENT OF THIS MATTER. IF OTHER COUNTRIES, ESPECIALLY LDC'S, ARE TO BE PERMITTED TO DISCRIMINATE IN THIS WAY, PANAM BELIEVES THAT IT REQUIRES A HIGH-LEVEL POLICY DECISION.

3. EMBASSY WOULD APPRECIATE INFORMATION ON WHEN
PANAM OPPOSITION IS LIKELY TO BECOME PUBLIC, AND
ESTIMATE OF PROSPECTS FOR SUCCESSFUL RATIFICATION. IN
ADDITION TO NOTIFYING GOP OFFICIALS OF DATES FOR
HEARING, WE BELIEVE WE SHOULD ALSO ALERT THEM TO
POSSIBILITY OF PANAM CHALLENGE.
STULL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TAX LAW, TREATY RATIFICATION, PUBLIC ATTITUDES
Control Number: n/a
Copy: SINGLE
Sent Date: 19-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA07642
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770178-0708
Format: TEL
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770540/aaaabhza.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 3b365e90-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 113633
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2455423
Secure: OPEN
Status: NATIVE
Subject: PANAM OPPOSITION TO TAX TREATY
TAGS: EFIN, RP, PANAM
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/3b365e90-c288-dd11-92da-001cc4696bcc
Review Markings:
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